



## PRE-TAX PLAN

Employees enrolled in the City Employee Benefit Plan may participate in the Pre-Tax Plan. This plan allows employees to pay for employee's portion of most of the benefit plan contributions on a pre-tax basis, and save money on income taxes.

**Eligible Benefits:** Contributions made by the employee toward optional term life up to \$50,000, long and short term disability, accidental death and dismemberment (AD&D), flexible spending, health savings account and medical, dental, vision for the employee and his or her dependent child(ren) and tax qualified spouses are eligible.

If the City contribution covers the employee's benefit plan elections entirely, and the employee has no out-of-pocket contribution, there is no need to participate in the Pre-Tax Plan.

**Ineligible benefits:** Dependent life insurance coverage, supplemental spouse life insurance coverage and long term care insurance coverage that are defined by IRS code as taxable benefits are excluded from the Pre-Tax Plan.

If eligible, you will automatically be enrolled in the Pre-Tax Plan. Once a benefit year begins and the first contribution has been deducted from the employee's paycheck, IRS regulations prohibit employee from joining or dropping out of the Pre-Tax Plan. You may make your Pre-Tax Plan election as a new employee or change your election during the Annual Change Period. If your Pre-Tax Plan change is requested during the Annual Change period, it will become effective July 1 of the new fiscal year.

If you DO NOT want to participate in this plan, please complete and submit this form to the Human Resource Office, 316 North Park Avenue, Room 106; faxed to 406-457-8589.

☐ **No, I want my deductions withheld on an after-tax basis.**

**Employee Name (Print):** \_\_\_\_\_

**Employee Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_